



20 March 1956

MEMORANDUM FOR: The Director

SUBJECT: Chairman Dawson of the House Committee  
on Government Operations

1. I refer to Congressman McCormack's suggestion that the Director call Congressman Dawson and offer to appear before his Committee.

2. I would recommend against an offer to appear before Congressman Dawson's Committee. I do recommend however that the Director authorize an invitation to Mr. Dawson to come down and discuss problems of mutual interest.

3. Congressman Dawson did come here for lunch during the last Session, after which he was briefed quite thoroughly by Col. White, Mr. Kirkpatrick and others on the conduct of Agency business, the degree of detailed information given to Appropriations Committees, our internal audit system, etc. At that time, Mr. Dawson was asked whether he felt that his Committee should organize a subcommittee on CIA, or alternatively, whether he felt that the Director should appear before the full Committee. His reaction was negative on both of these ideas, although he evidently was impressed by, and very appreciative of the information given him during the discussion.

W 4. The Congressman also expressed great interest in the African problem, and this might well be stated as a reason for inviting him down for an informal talk with the Director. Such a meeting might also provide an opportunity for discussion of a number of matters before the Government Operations Committee in which the Agency has an interest. Among these are a number of bills relating to Government procurement practices, from which the Agency has suggested specific exemptions or the granting of the authority to M

the President to make exemptions by Executive Order. Mr. Dawson may also want to discuss the annual Federal Property Inventory compiled by his Committee. We have discussed this matter with him, and have indicated that we would attempt to devise a means in the future whereby our property holdings could be incorporated in some manner into those reported by the Department of Defense.

5. If the Director approves, I will call Congressman Dawson and invite him down for a meeting with the Director, sometime after the first of April.

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Legislative Counsel

Recommendation contained in paragraph 5 is approved:



ALLEN W. DULLES  
Director of Central Intelligence

MAR 23 1956

S. 2591, H. R. 6568, H. R. 7339

To amend the Federal Property & Administrative Services Act with respect to utilization and disposal of excess and surplus property under the control of executive agencies.

These bills would vest in the Administrator of GSA exclusive authority with respect to the utilization and disposal of excess and surplus property, real and personal, which is under the control of any executive agency. We commented to the House Government Operations on 10 March 1956, stating we had no objection to the House bills as presently worded. They contain the proviso that the President may make specific exemption by Executive Order "in the public interest." (See Mr. Houston's memo of 5 March).

S. 2591 passed the Senate July 28, 1955

H. R. 7333, S. 2365, S. 2469

Extending the authority of GSA with respect to warehouses and other storage facilities operated by civilian agencies of the Government.

The Director signed a letter on 23 Mar. 1956 commenting on H. R. 7333, and stated that for security reasons a proviso should be included making it possible for the President to make specific exemptions by Executive Order.

H. R. 7209, H. R. 7338, H. R. 9402 *H. R. 8236*  
S. 2369, S. 2480, S. 3199 *S. 3897*

To improve governmental budgeting and accounting procedures.

Hearings held in the Senate on March 20 and 21, 1956. A clean bill will be introduced.

Under date of May 10th the President sent a message to the Congress urging early enactment of appropriate legislation.

Comments from both General Counsel and the Comptroller/~~XXXXXX~~ on S. 3199 ~~XXXXXX~~ indicate it would be difficult for the Agency to comply with all the provisions of the bill for reasons of security. OGC stated in its report -- "It is believed the bill, if enacted, would make it difficult for the Director to discharge his responsibilities to protect intelligence sources and methods from unauthorized disclosure. It might also invite Budget and perhaps Congressional criticism since, on a comparative basis, the product of this Agency might be considered expensive. Further it would not seem desirable to rely on the Director's

authority to protect sources and methods as a basis for not complying with the bill if it were to be enacted in its present form. It is suggested, therefore, that the Legislative Counsel keep an eye on the progress of the bill and, if its progress justifies such action, the Agency consider requesting that a specific exemption for CIA be written into the bill. "

The comptroller objects to the establishment of a reporting system for reasons of security.

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| <b>TRANSMITTAL SLIP</b>  |                 | <b>DATE</b>      |
| <b>TO:</b>   |                 |                  |
| <b>ROOM NO.</b>  | <b>BUILDING</b> |                  |
| <b>REMARKS:</b><br><div style="text-align: right;">7/11/56</div> <p style="text-align: center;"><i>Note for files —</i><br/> <i>Meeting not arranged this session.</i><br/> <i>Danzer should be invited down</i><br/> <i>early in next session.</i></p> <p style="text-align: right;"><i>WSP</i></p> |                 |                  |
| <b>FROM:</b>   |                 |                  |
| <b>LEGISLATIVE COUNSEL</b>   |                 |                  |
| <b>ROOM NO.</b>  | <b>BUILDING</b> | <b>EXTENSION</b> |
| <b>FORM NO. 241</b><br>1 FEB 55  |                 |                  |
| REPLACES FORM 36-8<br>WHICH MAY BE USED.   |                 |                  |
| (47)   |                 |                  |